REPORTABLE

HIGH COURT OF JUDICATURE FOR RAJASTHAN
BENCH AT JAIPUR

D.B. Civil Writ Petition No. 21730/2026
CNR: RJHC021030082026 | URN: CW / 45588U / 2026

Smt Usha W/o Shri Tarun, Aged About 40 Years, Prop Of M/s Madhav Cotton And Oil Mill C/o Tarun, H N 408, Saini Pura, Ward No. 7 Charkhi Dadri, Haryanan- 127306

----Petitioner

Versus

1. Union of India through Finance Secretary Ministry of Finance Government of India New Delhi
2. The State of Rajasthan, through Chief Commissioner State Goods and Service Tax Kar Bhawan Ambedkar Circle Jaipur
3. The Chief Commissioner, Central Goods And Services Tax Statue Circle C- Scheme Jaipur
4. The Assistant Commissioner, Ward-I Circle-B (State Tax) Alwar.

----Respondents

For Petitioner(s)	:	Mr. Pankaj Ghiya Mr. Kuldeep Kumar Sharma Mr. Mayank Vyas
For Respondent(s)	:	Mr. Vigyan Shah, AAG with Mr. Sankalp Vijay Mr. Deepak Mittal Mr. Arnav Singh

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HON'BLE THE CHIEF JUSTICE MR. SANJAY K. AGRAWAL
HON'BLE MR. JUSTICE SAMEER JAIN

Judgment

29/10/2026

1. The present adjudication necessitates a delicate balancing of the petitioner’s right to seek judicial review against the well-established doctrine of exhaustion of alternative and efficacious statutory remedies, particularly in matters of fiscal statutes and

tax evasion where disputed questions of fact are deeply entrenched.

2. The present is the second round of litigation initiated by the petitioner. The scope of the controversy involved is broadly defined by the challenge raised regarding the final order of confiscation passed in FORM GST MOV-11 dated 01.10.2026 (Annexure-16), along with a challenge to the letter dated 21.09.2026 (Annexure-15) demanding a bank guarantee of Rs. 42,05,898/-, and consequential orders.

3. The factual matrix culminating in the present adjudication, stripped of superfluous details, is exhaustively delineated as under:

3.1 The petitioner, claiming to be the proprietor of M/s Madhav Cotton & Oil Mill, allegedly purchased edible oil from M/s Agarwal Rice & Oil Mill, Hindaun City, under Tax Invoice dated 27.08.2026 and E-Way Bill of the same date, declaring the goods as "Soyabean Refined Oil".

3.2 The conveyance carrying the goods was intercepted by the State Tax authorities at MIA, Alwar on 27.08.2026 at 10:05 PM. Suspecting evasion due to stark route deviation and lack of toll/RFID records, an order for physical verification in FORM GST MOV-02 was issued.

3.3 Upon physical verification conducted on 02.09.2026 in FORM GST MOV-04, a glaring discrepancy was unearthed. The goods actually loaded in the vehicle were found to be "Mustard Oil" (HSN 1514) instead of the documented "Soyabean Refined Oil" (HSN 15079010). Moreover, the driver of the vehicle had absconded from the scene after locking the steering.

3.4 Subsequently, the show-cause notice for confiscation in FORM GST MOV-10 was issued on 03.09.2026. Aggrieved by the said notice, the petitioner approached this Court in the first round of litigation by way of D.B. Civil Writ Petition No. 18392/2026.

3.5 The Co-ordinate Bench of this Court, vide order dated 15.09.2026 (Annexure-13), disposed of the said writ petition, directing the release of the vehicle and goods subject to the petitioner furnishing a bank guarantee to the satisfaction of the competent authority, expressly keeping the pending proceedings unprejudiced.

3.6 In compliance with the said order, the respondent authority issued the impugned letter dated 21.09.2026 (Annexure-15), calling upon the petitioner to furnish a bank guarantee to the tune of Rs. 42,05,898/-.

3.7 When the petitioner failed to furnish the same, and after considering the detailed reply submitted by the petitioner and affording a personal hearing on 18.09.2026, the adjudicating authority passed the final, detailed speaking order of confiscation in FORM GST MOV-11 on 01.10.2026 (Annexure-16). Assailing the said confiscation order, the petitioner files the present writ petition.

4. At the outset, learned counsel for the petitioner contends that the impugned orders are arbitrary, disproportionate, and suffer from jurisdictional error. To substantiate the claim for equitable relief bypassing the appellate forum, the following exhaustive grounds are canvassed:

4.1 It is vehemently contended that the fine imposed exceeds the statutory ceiling prescribed under the first proviso to Section

130(2) of the CGST/RGST Act, 2017. The penalty is levied twice, and the fine is demanded from the petitioner in respect of a conveyance not even owned by her.

4.2 It is further averred that the adjudicating authority relies on mere surmises regarding the "impossible" transit time of 3 hours 16 minutes for 114 km, and the absence of RFID/Toll data. Learned counsel submits that the CGST Act does not prescribe any mandatory route, and mere route deviation cannot attract confiscation.

4.3 Learned counsel relies upon the dicta encapsulated by the Hon'ble Supreme Court in **Whirlpool Corporation v. Registrar of Trade Marks, (1998) 8 SCC 1** and **Radha Krishan Industries v. State of Himachal Pradesh**, **(2021) 6 SCC 771** arguing that an appeal under Section 107 of the Act is not an efficacious remedy since the impugned order is passed in excess of jurisdiction, violates principles of natural justice, and because the goods are perishable in nature.

5. *Per contra*, learned counsel appearing on behalf of the respondents raises a robust preliminary objection regarding the maintainability of the writ petition and prays for its summary dismissal on the following grounds:

5.1 It is contended that the present petition is entirely misconceived as the petitioner has an availability of a statutory, efficacious alternative remedy of appeal under Section 107 of the CGST/RGST Act, 2017 before the Appellate Authority, i.e., Joint/Additional Commissioner (Appeals).

5.2 Learned counsel highlights the highly deplorable conduct of the petitioner and the driver and submits that the driver fled the

scene in the dark, stalling the inspection. The physical verification definitively proved that the goods transported were mismatched (Mustard Oil instead of Soyabean Oil).

5.3 It is averred that the impugned order dated 01.10.2026 (Annexure-16) is a detailed, 23-page speaking order passed after duly considering the petitioner's reply and affording a personal hearing on 18.09.2026, and therefore, it is submitted that the plea of violation of natural justice is a facade.

5.4 Lastly, it is submitted that the dispute involves highly complex questions of fact such as the chemical nature of the oil, the logistical impossibility of the travel time, the bypassing of toll plazas, and the creation of multiple E-way bills at the same time, which cannot be adjudicated in a writ jurisdiction, and that the Appellate Authority under Section 107 is the appropriate fact-finding forum.

6. Having heard the rival submissions advanced by the learned counsel for the parties at length and upon an assiduous perusal of the material available on record, including but not limited to the impugned order of confiscation dated 01.10.2026 (Annexure-16) and the order dated 15.09.2026 passed by the Co-ordinate Bench of this Court in the first round of litigation (Annexure-13), we observe that the Central/Rajasthan Goods and Services Tax Act, 2017 is a self-contained, comprehensive code that prescribes a robust statutory mechanism for the redressal of grievances.

7. The provisions enshrined under Section 107 of the CGST/RGST Act, 2017 expressly provide an alternative and efficacious remedy of appeal to any person aggrieved by any decision or order passed by the adjudicating authority. The

impugned order of confiscation passed in FORM GST MOV-11 by the Assistant Commissioner is an adjudicatory order squarely appealable before the designated Appellate Authority.

8. We are of the view that the extraordinary writ jurisdiction enshrined under Article 226 of the Constitution of India is not meant to short-circuit or circumvent the statutory appellate hierarchy created by the legislature. While the rule of exhaustion of alternative remedy is a rule of discretion and not of compulsion, the exceptions carved out by the Hon'ble Supreme Court in **Whirlpool Corporation (supra)** namely, absolute lack of jurisdiction, violation of fundamental rights, or gross violation of natural justice, are conspicuously absent in the present factual matrix.

9. We observe that the petitioner was duly served a show-cause notice, submitted a detailed reply, and was afforded a personal hearing on 18.09.2026, which was attended by her authorized representative. The adjudicating authority has subsequently passed a voluminous, 23-page reasoned order (Annexure-16) dealing with every single objection raised by the petitioner. Ergo, the petitioner's outcry alleging a breach of natural justice is entirely hollow and devoid of merit.

10. We further note that the controversy at hand is deeply mired in disputed questions of fact. Whether the oil transported was Mustard Oil or Soyabean Oil, whether the physical verification was hindered by the driver absconding, whether the travel time of 3 hours 16 minutes for the said route was physically impossible for a heavy tanker, and whether the electronic RFID and toll plaza mapping corroborates the physical movement, are all evidentiary

matters. A writ court, operating under Article 226 of the Constitution of India, cannot conduct a roving inquiry or act as an appellate fact-finding forum to re-appreciate such intricate, disputed evidence, and the Appellate Authority as prescribed under Section 107 is statutorily equipped to sift through this evidence.

11. The order dated 15.09.2026 passed by the Co-ordinate Bench of this Court in the first round of litigation explicitly stated that the release was without prejudicing the pending proceedings before the competent authority. The competent authority has now culminated those proceedings into a final confiscation order. If the petitioner is aggrieved by the quantum of the bank guarantee demanded or the final quantification of the fine and penalty under Section 130, the appropriate and lawful recourse is to file a statutory appeal.

12. Operating as the *sentinel on the qui vive* (watchful guardian of the Constitution), we cannot remain mute spectators to the growing propensity of litigants to weaponize the extraordinary writ jurisdiction of this Court to bypass robust statutory appellate frameworks, and therefore, we cannot permit the writ jurisdiction to be routinely invoked as a substitute for statutory appeals, clogging the constitutional courts and rendering the statutory appellate tribunals redundant, especially in taxation matters where the revenue of the State is at stake.

13. In view of the foregoing discussion and findings, we are of the considered view that the present writ petition is not maintainable owing to the availability of an alternative and highly

efficacious statutory remedy of appeal enshrined under Section 107 of the CGST/RGST Act, 2017.

14. The petitioner is at liberty to approach the competent Appellate Authority in accordance with the law, and it is directed that if such an appeal is preferred by the petitioner, the competent Appellate Authority shall consider and adjudicate the same on its own merits.

15. In light of the above terms, the present writ petition, stands disposed of. It is made clear that no prejudice shall be caused to either of the parties on account of the observations made herein-above.

16. Pending applications, if any, shall also stand disposed of.

(SAMEER JAIN),J (SANJAY K. AGRAWAL),CJ

7 (DA)/JKP